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**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON**

CHRISTOPHER S. CLUETT and LISA B.
CLUETT, husband and wife,

Debtors,

WESTSOUND BANK, a Washington State
chartered bank,

Plaintiff,

vs.

CHRISTOPHER S. CLUETT and LISA B.
CLUETT, husband and wife,

Defendants.

Case No. 07-11432-TTG

Adversary No.

**COMPLAINT TO DETERMINE
DISCHARGEABILITY OF DEBT**

WESTSOUND BANK, a Washington State chartered bank, Plaintiff herein,
alleges:

1. This court has jurisdiction over this adversary proceeding under the
provisions of 28 U.S.C. § 157 and 11 U.S.C. §523.

2. On March 31, 2007, the above-named Debtors, Defendants herein,
filed a petition for relief under Chapter 13 of title 11, United States Code.

COMPLAINT TO DETERMINE
DISCHARGEABILITY OF DEBT -1
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1 3. The Plaintiff is the holder of a claim against the Debtors for the sum of
2 Sixty-Two Thousand Four and 78/100 Dollars (\$62,004.78), as of the date of
3 Defendants filing their petition for relief, as described above.

4 4. The claim arose as follows: In reliance on written financial statements
5 submitted by Defendants, Plaintiff made two loans to Defendants, one dated
6 December 17, 2004 in the original amount of Seventy-Five Thousand and no/100
7 Dollars (\$75,000.00), and the other on January 3, 2006 in the original amount of Ten
8 Thousand One Hundred Thirteen and 65/100 Dollars (\$10,113.65). The total unpaid
9 principal balance on said loans as of the date of Defendants filing their petition for
10 relief is set forth above.

11 5. Plaintiff's claim is excepted from a discharge in bankruptcy pursuant
12 to 11 U.S.C. § 523(a)(2)(B) because it is based upon a debt arising from the use of a
13 written materially false statement about the financial condition of the Defendants,
14 which was made by them with the intent to deceive, and which was reasonably
15 relied upon by Plaintiff.

16 WHEREFORE, Plaintiff requests an order determining said debt to be
17 nondischargeable and for judgment against the Debtors in the sum of Sixty-Two
18 Thousand Four and 78/100 Dollars (\$62,004.78), together with interest from March 31,
19 2007, attorney's fees as provided in the loan documents between Plaintiff and
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1 Defendants, and for such other and further relief as is just.

2 DATED: June 28, 2007.

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J. LARRY PAULSON, WSBA #5772
5 of SANCHEZ, PAULSON, MITCHELL & SCHOCK
6 Attorneys for Plaintiff
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